###### Best Corporate Governance & ESG Awards 2021

### Self-Nomination for Good CG &/ or ESG Practices

Name of Company/ Organization:

Annual Report for the year ended:

The Organizing Committee of the Hong Kong Institute of CPAs' Best Corporate Governance & ESG Awards 2021 ("Awards") invites eligible listed companies (i.e., those with a market capitalization of no more than HK$9 billion (as at 30 April 2021)) and public sector organizations that are committed to making substantive, self-initiated progress in their corporate governance ("CG") and / or environmental, social and governance (“ESG”) to nominate themselves for consideration in this category of the Awards.

Please specify any good CG and/ or ESG practices that your company/ organization has introduced in terms of new or upgraded CG and/ or ESG structures, policies or processes, as disclosed in the 2020/21 annual/ ESG reports. Please indicate how they have been implemented within the company/ organization. The extent to which the practices exceed any relevant regulatory requirements will be a factor in drawing up the shortlist. Plans and timetables for making further progress may also be included.

To illustrate the kinds of CG and/ or ESG practices that the Awards reviewers and judges are looking for, examples are provided below. Please note, **these are examples for illustration only. It is not required that the practices described should cover all or any these particular areas of CG and/ or ESG**.

**CG Examples:**

1. Risk management and internal control

The annual report disclosures discuss the main risks facing the company, the likelihood of the significant risks occurring and the mitigation measures taken. Reasonable information is provided regarding any internal control review conducted by the company/ organization during the year, such as details of how the review was conducted, and whether there were any issues that needed to be addressed and, if so, how these were dealt with.

1. Board diversity

Measurable objectives have been introduced by the company/ organization in terms of increasing board diversity, taking into account factors such as gender, age, cultural and educational background, or professional experience. The disclosures indicate substantive progress toward achieving the targets, explain the reasons for any variances and proposed measures to help meet the targets in future.

1. Nomination process and independent non-executive directors

The company/ organization has disclosed more details about the criteria and process for the nomination of directors, and described the particular skills and experience that newly-appointed directors, including independent non-executive directors (“INEDs”), bring to the board.

The company/ organization has strengthened the independent element of the board by adding more INEDs beyond the minimum requirement, and has explained what the new INEDs bring to the board, as well as the role and contribution to the board and committees of INEDs generally.

1. Board evaluation

A formal board evaluation process has been introduced, and the disclosures indicate how the evaluation was conducted. This may include information such as whether it was conducted internally (e.g., by the chairman and/ or others) and the format (e.g., a questionnaire, interviews, etc.), or whether, instead, external consultants were engaged. Other matters covered could be whether the evaluation looked only at board performance as a whole, or also the performance of individual directors, and whether a report was produced with recommendations for follow-up actions after the evaluation.

Where a board assessment process is already in place, the company/ organization may have provided information on any substantive enhancements made to the process, e.g., adding an evaluation of individual directors' performance for the first time, or engaging qualified external third parties to assist with the evaluation; and/ or an explanation may be provided of the recommendations that arose from a previous evaluation with a description of how these have been followed up.

1. Disclosure of remuneration

The company/ organization has introduced a new policy to disclose the remuneration of directors and top management by name, including an analysis of fixed and variable remuneration.

Alternatively, it has provided more information on the policy for determining directors' remuneration and on how individual director's remuneration is broken down into different fixed and variable elements, and whether and, if so, how directors' pay is linked to the company's/ organization's performance.

**ESG Examples:**

1. Governance

The company/ organization disclosure clear top-level commitment to good ESG strategies, policies and practices, with high-level policy-making and accountability, at the board level, and a clear ESG governance structure to monitor, implement and report on ESG performance.

Risk management and internal control clearly incorporate ESG-related risks, e.g., by disclosing the process used to identify, evaluate and manage material ESG-related risks, and reporting on specific ESG-related risks in the annual report.

1. Report content

Materiality assessment: The ESG/ sustainability report provides a good disclosure of the materiality assessment process for the selection of material ESG factors, including a clear description of the process, identifying key stakeholders and results of the company’s/ organization’s stakeholder engagement, and how the company/ organization has taken on board the main concerns of stakeholders.

Basis of reporting: The report clearly specifies the objective standards/ basis of reporting (e.g., application of Global Reporting Initiative Standards, Sustainability Reporting Guidelines, United Nations Sustainable Development Goals, Task Force on Climate-related Financial Disclosure recommendations, Hong Kong Exchange and Clearing's ESG Reporting Guide) and how, and the extent to which, these standards have been applied.

1. Key performance indicators

The company/ organization has set longer-term ESG performance goals and has incorporated realistic performance targets, which should be challenging yet attainable, to track the underlying progress towards meeting these goals over the relevant years.

Where the targets are not met, the company/ organization has explained and indicated what specific actions they will take to put the entity back on track. If the targets have already been met ahead of time, new targets may be established for the entire entity to follow.

Companies/ organizations should aim to provide relevant references or documentation to support their self-nomination.

**Please note that the focus is primarily on voluntary CG** **and/ or ESG practices that exceed basic compliance with the regulatory requirements. As such, descriptions of new or expanded disclosures and practices that are essentially the result of implementing new legal or regulatory requirements are unlikely to be sufficient, by themselves, to be considered for an award, even though they may improve a company's/ organization's standard of CG and/ or ESG.**

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| **Please describe the good CG and/ or ESG practices that your company/ organization has introduced and attach supporting materials** (i.e., publicly-available materials) |
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# Additional pages may be included if the above space is insufficient.

If requested, would your company/ organization be willing to send senior representative(s) to explain to a panel of awards reviewers/ judges further details about the good CG and/ or ESG practices that it has introduced?

Yes No